

Eligible Quota means the amount of peanut quota owned by an eligible peanut quota holder as of May 13, 2002, based on the 2001 quota for the purposes of determining Peanut Quota Buyout Program payments. Eligible quota does not include peanut quota established for seed or experimental purposes and quotas subject to a temporary lease or transfer.

§ 1412.804 Appeals.

A person may obtain reconsideration and review of any adverse determination made under this part in accordance with the appeal regulations found at parts 11 and 780 of this title.

§ 1412.805 Enrollment; special filing and payment provisions for persons who are not the peanut quota holder of record.

(a) Enrollment for the Peanut Quota Buyout Program begins September 3, 2002, and ends November 22, 2002. Application for payment must be made by signing the contract. Payments will be made by CCC to eligible peanut quota holders as soon as practicable beginning October 11, 2002.

(b)(1) If contracts or other written claims are provided to CCC by October 11, 2002, by two or more persons with respect to the same peanut quota used to calculate a Peanut Quota Buyout Program payment, CCC will not issue such payment until CCC has determined the eligibility status of each claimant.

(2) If CCC has made a payment to a peanut quota holder, as identified on FSA records, for a farm and after October 11, 2002, a person who is not a peanut quota holder, as identified on FSA records, for such farm submits a contract or other written claim with CCC for the same quota used to issue the initial payment, CCC will issue no further payments for such farm until CCC has determined the eligibility status of each person who has filed a contract or other written claim for such farm and the occurrence of the earlier of:

(i) Repayment of the initial payment made by CCC; or

(ii) The establishment, in accordance with part 1403 of this chapter, by CCC of a claim for repayment of the initial payment.

(c) Payments to a person who CCC has determined to be an eligible peanut quota holder with respect to a farm but who, as of September 3, 2002, were not the peanut quota holder, as identified on FSA records as of May 13, 2002, for such farm will be made by CCC after November 22, 2002, unless prior to November 22, 2002, CCC has received an acknowledgment from the peanut quota holders, as identified on FSA records as of May 13, 2002, that they:

(1) Will not file a contract for such peanut quota; and

(2) Transferred the peanut quota to such other party prior to May 13, 2002.

§ 1412.806 Eligible peanut quota holder.

(a) A person shall be eligible for a payment under this part only if CCC has determined the person to be an "eligible peanut quota holder" for purposes of this part. To be an eligible peanut quota holder, a person must, as of May 13, 2002:

(1) Have owned a farm, or had a life estate interest in a farm, to which paragraphs (a)(2) and (b) of this section do not apply, that was eligible for a permanent peanut quota under part 729 of this title, as in effect on January 1, 2002, without regard to quotas established for seed or experimental purposes or quotas subject to temporary leases or temporary transfers;

(2) Be a party to a written contract for the purchase of all or a portion of the farm identified in paragraph (a)(1) of this section that was in effect on or before May 13, 2002. If the parties to the contract are unable to agree to the division of the applicable peanut quota on the land subject to the written contract, the Deputy Administrator, taking into account any incomplete or permanent transfer of the peanut quota that has otherwise been agreed to, shall provide for the equitable division of the payments made under this part by determining the eligible peanut quota holders and allocating the disputed amount of the peanut quota to such holders. This allocation will take into account the ratio of cropland on the unsold portion of the farm and the cropland on the portion of the farm subject to the purchase contract;

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(3) Be a party to a written contract that was in effect on or before May 13, 2002, for the permanent transfer of a peanut quota to such party's farm but was not completed by that date. In such a case, the eligible peanut quota holder is the owner of the farm, as of May 13, 2002, to which the peanut quota was to be transferred; or

(4) Have owned a farm with a peanut quota which is protected under a Conservation Reserve Program contract in accordance with part 1410 of this chapter;

(b) Notwithstanding any provision of paragraph (a) of this section, CCC may determine that a person is an eligible peanut quota holder with respect to an amount of peanut quota for the purposes of this section, to the exclusion of all other persons in order to provide for the fair and equitable administration of this part so long as the total amount of eligible quota pounds for all program participants does not exceed the quantity of peanut quota that was available to all quota holders in the 2001 crop year.

(c) Sales and transfers of farms and peanut quotas may be disregarded by CCC when:

(1) Such sales and transfers were required to be reported to FSA under part 729 of this title; or

(2) It is otherwise determined by CCC that it would be unfair and inequitable in the overall administration of the program to make or modify an eligibility determination based on claims of transfers or sales that preceded January 1, 2002.

§ 1412.807 Contract provisions.

(a)(1) CCC will, on a per-farm basis, offer to enter into a contract with each eligible peanut quota holder on such farm under which CCC will provide a payment in five equal installments in each of the 2002 through 2006 fiscal years or in one lump sum payment in any such fiscal year as selected by such holder.

(2) Eligible peanut quota holders who elect to receive five equal installments payments will receive the fiscal year 2002 payment no later than December 31, 2002 and, as determined by CCC, between January 2 and January 31 in each of the years 2003 through 2006.

(3) Eligible peanut quota holders who elect to receive one lump sum payment may specify the fiscal year in which they wish to receive a payment. CCC will determine the day in such fiscal year that the payment will be made by CCC.

(b) The amount of each payment made under paragraph (a)(2) of this section shall be the product determined by multiplying:

(1) \$0.11 per pound; times

(2) The amount of eligible quota pounds of the eligible peanut quota holder.

(c) The amount of each payment made under paragraph (a)(3) of this section shall be the product determined by multiplying the product determined under paragraph (b) of this section times five.

(d) After a payment option has been selected under paragraph (a) of this section and a payment has been made by CCC, no change in the payment option will be allowed except as authorized by the Executive Vice President, CCC.

§ 1412.808 Contract liability.

All signatories to a contract are jointly and severally liable for contract violations and resulting repayments and liquidated damages.

§ 1421.809 Misrepresentation and scheme or device.

A person who is determined to have:

(a) Erroneously represented any fact affecting a program determination made in accordance with this subpart;

(b) Adopted any scheme or device that tends to defeat the purpose of the program; or

(c) Made any fraudulent representation affecting a program determination made in accordance with this subpart, must refund all payments received on all contracts entered into under this subpart, plus interest as determined in accordance with part 1403 of this chapter, and pay to CCC liquidated damages as specified in the contract.

§ 1412.810 Offsets and assignments.

(a) Except as provided in paragraph (b) of this section, any payment or portion thereof made to any person under